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CENTRAL INTELLIGENCE AGENCY
DIRECTORATE OF INTELLIGENCE

Talking Points for Ambassador Walters

28 August 1986

Status and Prospects of the Libyan Regime [REDACTED]

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Colonel Qadhafi was politically humiliated last April by the US airstrikes, the security measures instituted against Libyans in Western Europe, and his inability to rally significant Arab or international support for Libya. Qadhafi has retained control of the regime through strict police measures, but available evidence indicates he continues to face serious discontent and instability at home. [REDACTED] popular discontent with Qadhafi--already high--has become more open since the airstrikes.

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- [REDACTED] there were antiregime demonstrations in Tripoli and Benghazi during July and August--the first such protests by groups other than university students.
- Antiregime graffiti and the distribution of protest leaflets are reported to have increased since April.
- Western diplomats cite work slowdowns and non-participation in people's committees meetings in early summer as indicators of "latent opposition" to the regime. [REDACTED]

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We do not believe that popular demonstrations pose a direct threat to the regime. In our view, however, such open discontent does help to create an atmosphere conducive to coup plotting.

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- [REDACTED] military officers blame Qadhafi's aggressive policies--especially his support for terrorism--for provoking the US attack.

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- [REDACTED] the military--long concerned by the growing power of the Revolutionary Committees at the expense of the officer corps--fear that the radicals will exploit Libya's poor military performance in April to further curtail the officers' political influence.

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- [REDACTED]
- In this context, Qadhafi's recent announcement of the demotion of a few senior officers, and the cancellation of promotions for others, almost certainly will be perceived as a further humiliation of the army at the hands of the radicals.
 - Continued restricted military access to fuel and ammunition, the transfer of armed forces headquarters to the remote base at Al-Jufra, and the imposition of austerity measures on the heretofore privileged officers are other grievances that fuel antiregime sentiment in the armed forces. [REDACTED]

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Despite this discontent, Qadhafi continues to pursue economic policies that contribute to antiregime sentiment in the public and military.

- [REDACTED] Libyan food imports have reached a seven-year low, and that the chronic food shortages in Libya continued through the Ramadan holiday period this year.
- [REDACTED] the regime has reduced civil service salaries by five percent and cut back government employee housing allowances. In addition government paychecks are increasingly late and bank withdrawals have been restricted.
- Hard currency restrictions have curtailed foreign travel by private Libyans--a traditional safety valve for those hoping to relieve the rigors of domestic austerity.
- [REDACTED] many Libyans are angry that they have had to endure several years of austerity to finance Qadhafi's arms build-up, only to find the defenses ineffective against the US raid. Nonetheless, since April Qadhafi has imposed a new tax, ostensibly to purchase rifles for the militia. [REDACTED]

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Qadhafi's extensive security precautions probably give him only a slightly better than even chance of retaining power through the next 6-12 months. Increased international pressure would further reduce his chances for survival, in our view. A critical factor in our assessment is the reliability of Qadhafi's security forces; available evidence indicates that the Jamahiriyyah Guard--Qadhafi's praetorian guard--and other internal security elements remain loyal.

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- Tribal problems--particularly between Jallud's Magharha tribe and members of Qadhafi's Qadhaafa tribe--also are a threat to regime solidarity. Many Qadhaafa, for example, hold Jallud responsible for the killing last November of Hassan Ashkal--a Qadhaafa tribesman and commander of the Sirte military district--and fear Jallud's increasing prominence.
- Infighting between regime factions trying to position themselves for a possible succession struggle is another source of friction.

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Libya's continued economic decline and mismanagement, regime infighting, Libya's political isolation, US military action, and the first signs of open discontent, are all factors contributing to the perception that Qadhafi's position is nearing collapse. If this perception persists, we believe regime supporters would be demoralized, factional infighting aggravated, and coup plotters emboldened.

- Qadhafi may buy himself some time through continued manipulation of various factions, but we believe his ability to use this time-honored method is restricted by his alienation of key groups.
- We also see little evidence to indicate Qadhafi will reverse his radical policies, which is necessary to ensure his survival over the long term. Qadhafi appears to be too wedded to his goals of creating a radical society in Libya, and achieving political predominance among Third World revolutionaries to make substantial changes. Indeed, the longer Qadhafi feels isolated at home and abroad, the greater the chances that he will strike out at the US or other Western interests to demonstrate his determination to confront the West.

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SUBJECT: Status and Prospects of the Libyan Regime

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